

AMENDED IN ASSEMBLY APRIL 18, 2001
AMENDED IN ASSEMBLY MARCH 29, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 13

Introduced by Assembly Member Florez

December 4, 2000

An act to add Section 15319 to the Government Code, ~~and to add Section 6358.5 to the Revenue and Taxation Code~~, relating to the San Joaquin Valley Economic Development Corridor, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 13, as amended, Florez. San Joaquin Valley Economic Development Corridor Act of 2001.

~~(1) Existing~~

Existing law sets forth the duties of the Technology, Trade, and Commerce Agency in overseeing economic and community development efforts in the state.

This bill would enact the San Joaquin Valley Economic Development Corridor Act of 2001 to establish a program, to be administered by the San Joaquin Valley Economic Development Joint Powers Authority, to enhance economic development within the boundaries of the authority. The bill would establish a 2-year micro-loan program and would create the San Joaquin Valley Economic Development Fund in the State Treasury for purposes of the act. The bill would expressly authorize the authority to receive funding and issue revenue bonds and other forms of indebtedness for eligible projects, as defined.

~~(2) The Sales and Use Tax Law imposes a tax on the gross receipts from the sale in this state of, or the storage, use, or other consumption in this state of, tangible personal property. That law provides various exemptions from that tax.~~

~~This bill would additionally exempt farm equipment, as defined, from that tax within the boundaries of the program.~~

~~(3) Counties and cities are authorized to impose local sales and use taxes in conformity with state sales and use taxes. Exemption from state sales and use taxes enacted by the Legislature are incorporated into the local taxes. Section 2230 of the Revenue and Taxation Code provides that the state will reimburse counties and cities for revenue losses caused by the enactment of sales and use tax exemptions.~~

~~This bill will provide that, notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse local agencies for sales and use tax revenues lost by them pursuant to this bill.~~

~~(4) The~~

~~The bill would appropriate \$100,750,000 from the General Fund to the Technology, Trade, and Commerce Agency for allocation to the San Joaquin Valley Economic Development Joint Powers Authority, as specified.~~

~~Vote: ²/₃. Appropriation: yes. Fiscal committee: yes. State-mandated local program: ~~yes~~ *no*.~~

The people of the State of California do enact as follows:

1 SECTION 1. Section 15319 is added to the Government
2 Code, to read:

3 15319. (a) This section shall be known and may be cited as
4 the San Joaquin Valley Economic Development Corridor Act of
5 2001.

6 (b) The San Joaquin Valley Economic Development Corridor
7 Program is hereby established. The San Joaquin Valley Economic
8 Development Joint Powers Authority shall, at its option,
9 administer the program. The program shall be subject to the review
10 of the Technology, Trade, and Commerce Agency. The geographic
11 boundaries of the program shall include any city and any county
12 that is a member of the San Joaquin Valley Economic
13 Development Joint Powers Authority.

(c) The purposes of the San Joaquin Valley Economic Development Corridor Program are to do the following:

(1) Identify regionally significant transportation projects that assist in the development of the San Joaquin Valley as an agriculturally based sustainable economy.

(2) Support economic development activities that target small- and medium-sized businesses.

(3) Encourage workforce development opportunities.

(d) (1) The San Joaquin Valley Economic Development Corridor Program shall include a two-year micro-loan program geared to assisting existing small- and medium-sized businesses expand and remain in the San Joaquin Valley. All loans shall be made within two years of the commencement of the program and no loans shall be made after that period.

(2) The San Joaquin Valley Economic Development Fund is hereby created in the State Treasury and shall be administered by the Secretary of Technology, Trade, and Commerce. Notwithstanding Section 13340, all moneys in the fund are continuously appropriated without regard to fiscal years for the micro-loan program established pursuant to this subdivision. The fund shall receive all loan repayment amounts, including principal and interest, and all related fees.

(e) The San Joaquin Valley Economic Development Joint Powers Authority may receive funding and issue revenue bonds and other forms of indebtedness as authorized by Article 2 (commencing with Section 6540) and Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1. Indebtedness may be issued on or on the behalf of the authority or any jurisdiction within the authority. Eligible projects include, but are not limited to, intermodal transfer facilities, food processing plants, locations to park trucks while under mandatory out-of-service hours, and goods distribution centers.

~~SEC. 2.—Section 6358.5 is added to the Revenue and Taxation Code, to read:~~

~~6358.5. (a) There are exempted from the taxes imposed by this part, the gross receipts from the sale in this state of, and the storage, use, or other consumption in this state of, farm equipment purchased by an individual whose primary residence or a small business whose primary place of business is within the boundaries~~

1 of the San Joaquin Valley Economic Development Program
2 established by Section 15319 of the Government Code.

3 (b) For the purposes of this section, “farm equipment” means
4 implements of husbandry, as defined in Section 411, including
5 equipment used in farming, forestry, dairy, cattle, pork, poultry, or
6 winegrower operations.

7 ~~SEC. 3. Notwithstanding Section 2230 of the Revenue and~~
8 ~~Taxation Code, no appropriation is made by this act and the state~~
9 ~~shall not reimburse any local agency for any sales and use tax~~
10 ~~revenues lost by it under this act.~~

11 ~~SEC. 4.—~~

12 *SEC. 2.* The sum of one hundred million seven hundred fifty
13 thousand dollars (\$100,750,000) is hereby appropriated from the
14 General Fund to the Technology, Trade, and Commerce Agency,
15 to be allocated to the San Joaquin Valley Economic Development
16 Joint Powers Authority for the purposes of Section 15319 of the
17 Government Code as follows:

18 (a) Seven hundred fifty thousand dollars (\$750,000) for a study
19 on the utilization of short line rail in the San Joaquin Valley to
20 enhance goods movement and support economic development in
21 the region.

22 (b) One hundred million dollars (\$100,000,000) for transfer to
23 the San Joaquin Valley Economic Development Fund for
24 expenditure pursuant to this act.